Method of Payment
Electronic Certification Q&A

DoN APC Conference
Government Commercial Purchase Card
Atlanta, GA
March 3-4, 2004

Joseph Stauffer

Agenda

- Basics
- Definition
- Usage
- Features
- Advantages
- Benefits
- Status
- Process Flow

Basics

- OPTI – Obligation Processing Type Indicator
  - Bulk “B”
  - NAFI “F”
  - NWCF/ERP “W”
  - OCONUS “O”
  - SALTS “S”
  - Transactional “T”
  - ***MoP - Method of Payment “C”***

Method of Payment OPTI "C" Definition

Using the Government Commercial Purchase Card (GCPC) to make payment for supplies and/or services obtained via a procurement contractual vehicle.

Method of Payment OPTI "C" Usage

- When can the Purchase Card be used for MOP?
  - The purchase card may be used as a method of payment in conjunction with other contracting methods above the micro-purchase threshold for the following categories provided appropriate authority has been granted by the HCA:

Method of Payment OPTI "C" Usage

- DD 282 (DOD Printing Requisition/Order) valued at $100,000 & below;
- Purchase Orders (SF 1449/DD 1155) valued at $100,000 & below, or up to $5 million for commercial items;
- Blanket Purchase Agreement orders valued at $100,000 & below or up to $5 million for commercial items;
- Delivery order against Federal Supply Schedules valued at $9,999,900 or below;
- Basic Ordering Agreements and orders under Indefinite Delivery Type Contracts valued at $9,999,900 & below; and
- Oral orders against Letters of Agreement valued between $2,500 and $25,000 for procurement of supplies only.
- The purchase card shall be used as a method of payment to pay for training requirements using the DD 1556 (Certification of Training) and valued at $25,000 & below.

Method of Payment OPTI "C" Features

- OPTI "C" is exclusive to MoP
- Dropdown box allows CH reallocation for SDN, SPIIN and ACRN
- Citibank will suppress obligation data
- Citibank will create an Invoice with reallocated data
- Invoice will contain CH reallocated data
- Complete audit trail – commitment, obligation and disbursement aligned to CH

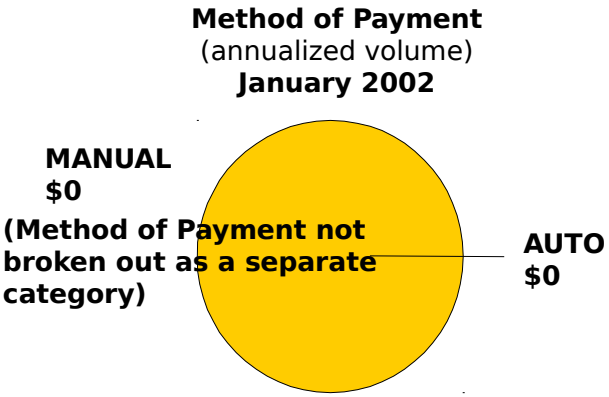
Method of Payment OPTI "C" Advantages

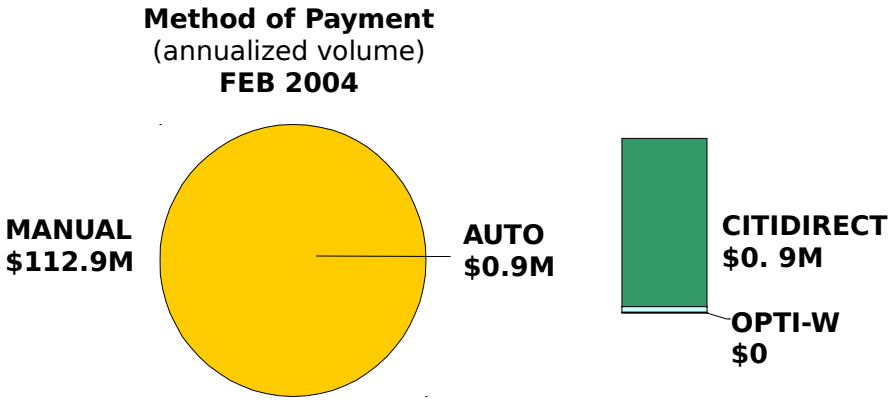
- CH data is maintained from initiation to settlement
- Obligation created / maintained in accounting system from source
- Payment is against accounting system obligation
- Accounting system adjustments *should* not be required
- Maximizes system efficiencies

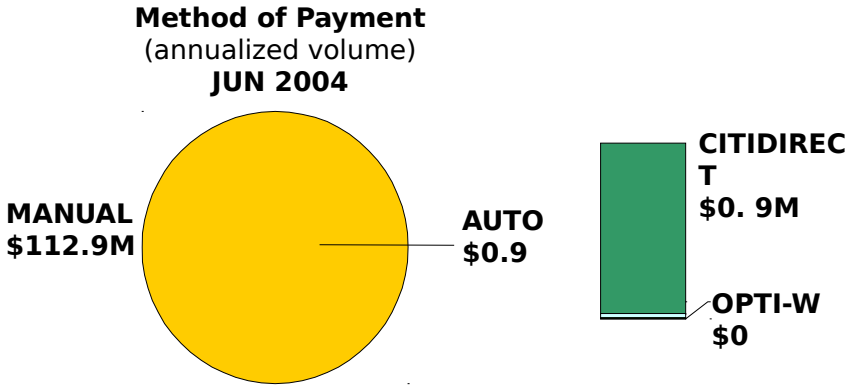
Method of Payment OPTI "C" Benefits

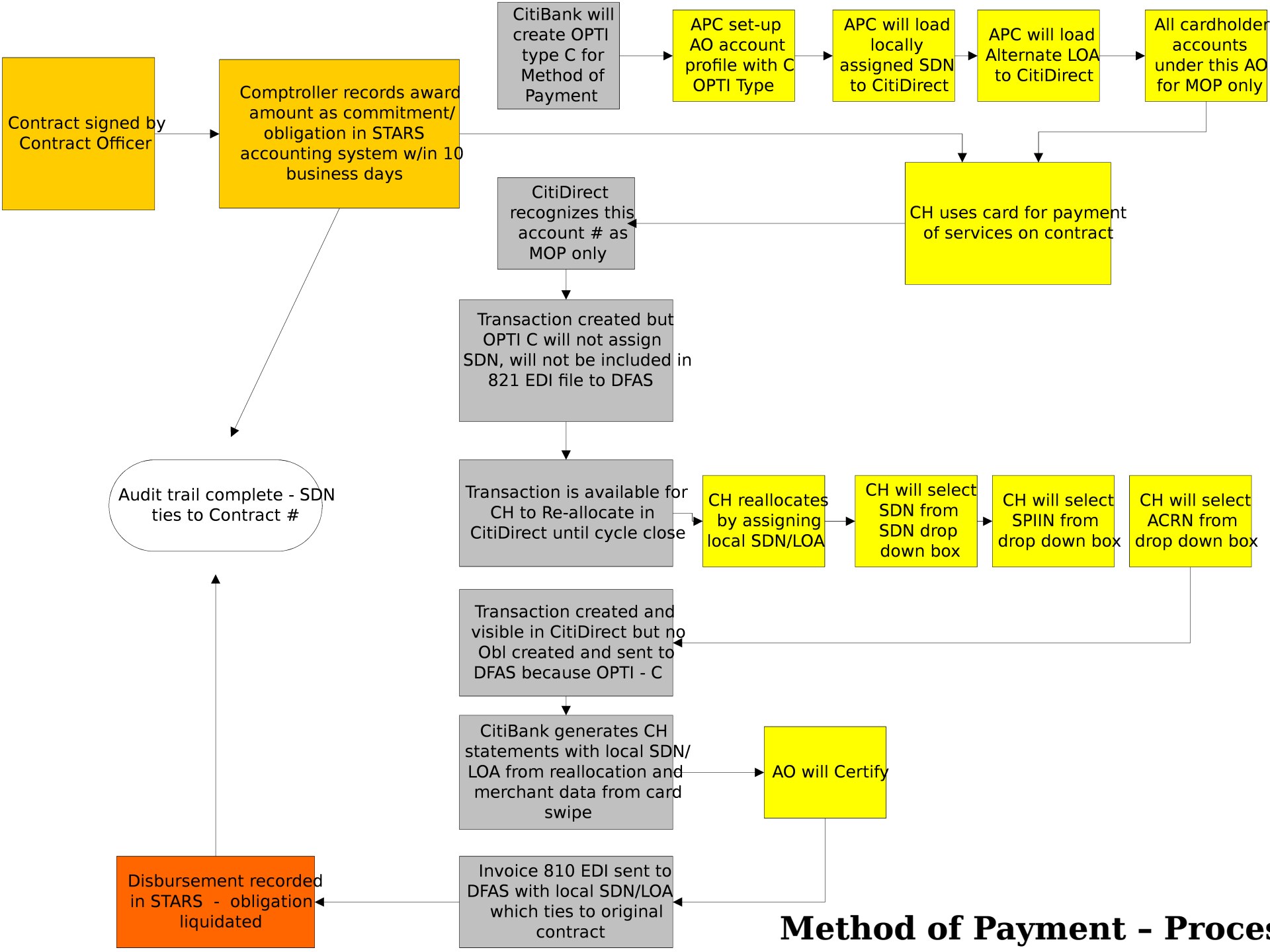
- EDI 810 – electronic certification
- EFT payment from DFAS to Citibank
- Complies with DOD vision to replace manual processes with electronic

Method of Payment - Status








CitiBank will create OPTI type C for Method of Payment
APC set-up AO account profile with C OPTI Type
APC will load locally assigned SDN to CitiDirect
APC will load Alternate LOA to CitiDirect
All cardholder accounts under this AO for MOP only
Contract signed by Contract Officer
Comptroller records award amount as commitment/ obligation in STARS accounting system w/in 10 business days
CitiDirect recognizes this account # as MOP only
CH uses card for payment of services on contract
Transaction created but OPTI C will not assign SDN, will not be included in 821 EDI file to DFAS
Audit trail complete - SDN ties to Contract #
Transaction is available for CH to Re-allocate in CitiDirect until cycle close
CH reallocates by assigning local SDN/LOA
CH will select SDN from SDN drop down box
CH will select SPIIN from drop down box
CH will select ACRN from drop down box
Transaction created and visible in CitiDirect but no Obl created and sent to DFAS because OPTI - C
CitiBank generates CH statements with local SDN/ LOA from reallocation and merchant data from card swipe
AO will Certify
Disbursement recorded in STARS - obligation liquidated
Invoice 810 EDI sent to DFAS with local SDN/LOA which ties to original contract
Method of Payment – Proces